(iii) During the investigations it was observed that some of the securities held by the company against the dues of Fairgrowth Financial Services Ltd. (FGFSL) do not appear to be genuine.

(iv) The effective security held by the Company against its exposure to FGFSL comprises only of bonds of the face value of Rs. 42 crores. At an estimated value of Rs. 80 per bond of the face value of Rs. 100, the realisable value will come to Rs. 33.60 crores, thus leaving a shortfall of Rs. 206.42 crores. The Company has advised that it has obtained additional security of estimated market value Rs. 101.59 crores. This would reduce the shortfall in security to Rs. 104.83 crores. Investigations are in progress.

Selling of arms by customs official in the black market

1985. DR. BAPU KALDATE:
SHRIMATI KAMLA SINHA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that with the reversal of the earlier policy to hand over the confiscated arms to the treasury, customs officials are permitted to buy the confiscated weapons at a price less than their cost;

(b) if so, what is the nature of the confiscated weapons bought by the customs officials so far and what are the reasons for selling these weapons to them at a price less than their cost;

(c) whether Government are aware that the weapons sold to customs officials find their way into the market and are sold at a high premium;

(d) if so, whether Government have made any enquiry in this regard;

(e) if so, what are the details thereof; and

(f) what measures have been taken to prohibit selling of these arms in black by the customs officials?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) with effect from October 1987 confiscated non-prohibited bore weapons are in suitable cases, being loaned to Customs and Central Excise officials, who require them for self-protection in the course of their work on condition that the weapon is returned by the officers to the Department when no longer required or in any case on their retirement|superannuation.

(b) to (f) Information is being collected and will be laid on the Table of the House.

Proposal to convert IDBI into a company

1986. SHRI ASHIS SEN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Industrial Development Bank of India is a profit-making institution;

(b) what were its profits during the last three years;

(c) whether there is any proposal under Government's consideration to convert IDBI into a company under the Companies Act as against its present status of a Corporation; and

(d) if so, what is the manner in which the shares are proposed to be disinvested?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Yes, Sir.

(b) The profit earned by the Industrial Development Bank of India

(IDBI) before tax during the last three years is indicated below:

(crores)

1989-90	1990-91	1991-92
Rs. 290.9	RS. 398.1	Rs' 573.9

Notes:—(i) The profits include capital gains.

(ii) The profits for 1989-90 and 1990-91 are combined profits under General Fund and Development Assistance Fund.

(c) Currently there is no proposal under consideration of the Government to convert IDBI into a Company under the Companies Act.

(d) Does not arise

Profit and loss of public sector banks

1987. SHRI S.K.T. RAMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) what is the number of Public Sector Banks that have shown profits in the year 1991-92;

(b) what is the net profit earned by these banks in the year 1991-92;

(c) what are the names of the Banks showing losses in the year 1991-92; and

(d) what are the reasons for the losses?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Out of the 27 public sector banks which have finalised their annual accounts for the year ended 31st March, 1992, 25 banks have shown profits Punjab & Sind Bank have not yet finalised their accounts.

(b) The net profit declared by these 25 public sector banks for the year 1991-92 is Rs. 860.12 crores.

(c) New Bank of India and UCO Bank have declared losses for the year ended March, 1992.

(d) Deficiencies in credit administration including unsatisfactory recovery performance and inadequacies in funds management have affected the earning capacity of the banks. Factors like high cash reserve ratio and statutory liquidity ratio, priority sector lending at concessional rates of interest have also had adverse impact on the profitability of these banks.

Use of automatic teller machines by banks

1988. SHRI ASHIS SEN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Automatic Teller Machines are being used by the banking system in our country;

(b) if so, what are the banks, Indian and Foreign, that have installed them;

(c) what are the names of offices/branches of individual banks where these are installed; and

(d) what is the number of transactions and the amount disbursed by resepective banks through the ATMs during the year 1990 and 1991?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (d) The information is being collected and will be laid on the Table of the House.

Impact of stock scam on Indian offshore funds

1989. SHRI MURLIDHAR CHANDRAKANT BHANDARE:
SHRIMATI VEENA VERMA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news item